

Message Text

CONFIDENTIAL

PAGE 01 SANTIA 01942 051345 Z

43

ACTION ARA-17

INFO OCT-01 ADP-00 CIAE-00 DODE-00 PM-09 H-02 INR-10 L-03

NSAE-00 NSC-10 PA-03 RSC-01 PRS-01 SS-15 USIA-12

COME-00 EB-11 LAB-06 SIL-01 INT-08 SCEM-02 AID-20

NIC-01 RSR-01 /134 W

----- 116466

R 042313 Z MAY 73

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 4225

C O N F I D E N T I A L SANTIAGO 1942

E. O. 11652: GDS

TAGS: CI, ELAB

SUBJ: STRIKE SITUATION

REF: SANTIAGO 1833

1. SUMMARY. GOC HAS STILL FOUND NO SOLUTION 16- DAY- OLD STRIKE TENIENTE COPPER MINE OR RENEWED STRIKE OF URBAN BUS DRIVERS. TEMPORARY AGREEMENT ARRANGED AMONG GOC GAS STATION OWNERS AND EMPLOYEES UNION. UNION OF WORKERS NATIONAL PETROLEUM COMPANY (ENAP) STILL BARGAINING UNDER THREAT OF STRIKE. GOC HANDLING OF LABOR DISPUTES APPEARS CLUMSY. END SUMMARY.

2. BOTH GOC AND TENIENTE UNIONS' LEADERSHIP HOLDING FIRM IN STRIKE WHICH HAS EFFECTIVELY STOPPED PRODUCTION SINCE APR 19. GOC HAS NOW OFFERED INCENTIVE BONUS BASED ON INCREASED PRODUCTION IN ADDITION TO 25 THOUSAND ESCUDOS ONE- TIME BONUS. UNIONS INSISTING ON BONUS COMPENSATING WORKERS FOR LOSS OF PAY ON WHICH THEY CLAIM MANAGEMENT WELSHED (REFTEL) AND PERMANENT ADJUSTMENT OF PAY LEVEL. GOC AND UP INCREASINGLY FIGHTING BATTLE THROUGH PRESS, CHARGING STRIKE POLITICALLY INSPIRED AND MINERS AND THEIR LEADERS UNPATRIOTIC. UNION LEADERS CLAIM THESE TACTICS AND MANAGEMENT ATTEMPTS TO DIVIDE MEMBERSHIP INTO POLITI-
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SANTIA 01942 051345 Z

CAL CLIQUES HAVE EFFECTIVELY SOLIDIFIED WORKER SUPPORT FOR STRIKE. BOTH GOC AND UNIONS AGREE THAT LOSS OF PRODUCTION ONE MILLION DOLLARS PER DAY.

3. SAM GOC TACTICS HAVE WORKED TO THEIR DISADVANTAGE IN URBAN BUS STRIKE. REPRESENTATIVES MINISTRIES TRANSPORT AND LABOR MET WITH UP LEADERS BUS DRIVERS FEDERATION UNTIL LATE HOURS MAY 1 AND REACHED AGREEMENT, WHICH WAS TAPED ALONG WITH UP LEADERS ANNOUNCEMENT OF CANCELLATION STRIKE SCHEDULED FOR MAY 2. THIS TAPE AIRED ON OBLIGATORY GOVERNMENT NETWORK AND CAUSED MOST UNION DRIVERS REPORT TO WORK MORNING MAY 2. MASS MEETING EVENING MAY 2 REMOVED UP LEADERS RESPONSIBLE FOR UNAUTHORIZED AGREEMENT AND ANNOUNCEMENT. STRIKE CONTINUED MAY 3 ABOUT 70 PERCENT EFFECTIVE IN SANTIAGO, WITH INCREASE IN STRIKERS MAY 4. UNION LEADERS SAY 80 TO 90 PERCENT BUSES IDLE IN SANTIAGO (FIGURES DO NOT INCLUDE GOVT OPERATED ETC LINES), 50 PERCENT IN VALPARAISO AND LESSER NUMBERS IN OTHER CITIES.

4. STRIKE OF GAS STATION WORKERS AVERTED BY GOC- STATION OWNERS ASSOC (ADICO) AGREEMENT REACHED EARLY MORNING MAY 3, WHICH WILL ALLOW OWNERS TO INCREASE PRICES JUST ABOUT ALL PRODUCTS AND SERVICES EXCEPT GASOLINE. OWNERS AGREED TO PAY WORKERS BENEFITS NEGOTIATED IN FEBRUARY BUT WHICH HAVE BEEN WITHHELD. WORKERS FEDERATION VOTED TO POSTPONE STRIKE FOR 15 DAYS TO AWAIT COMPLIANCE.

5. LEADERS OF ENAP UNION STILL NEGOTIATING WITH MANAGEMENT, ALTHOUGH REFERENDUM MEMBERSHIP HAS AUTHORIZED STRIKE BY VERY NARROW MARGIN. STRIKE OF 6,000 WORKERS COULD SERIOUSLY AFFECT GASOLINE REFINERY PRODUCTION ALREADY REDUCED BY EQUIPMENT BREAKDOWNS.

6. IN THE PAST FEW DAYS TENIENTE LEADERS HAVE BEGUN TO VOICE OPINION THAT GOC MIGHT USE FORCE TO SETTLE MINE STRIKE, OR INTERVENE UNIONS THROUGH DECREE. SEVERAL HAVE EXPRESSED VIEW THAT TENIENTE SITUATION MAY PROVOKE A NEW GOC " HARD LINE" ON LABOR ISSUES.

7. COMMENT. GOC HANDLING OF TENIENTE AND BUS STRIKE HAS BEEN CLUMSY, APPARENTLY BASED ON ASSUMPTION THAT ELECTED MARXIST- LINELEADERSHIP COULD EXERCISE EFFECTIVE DISCIPLINE OVER MEMBERSHIP ON ALL ISSUES. MINE UNION MEMBERS HAVE BEEN AND

CONFIDENTIAL

PAGE 03 SANTIAGO 01942 051345 Z

REMAIN POLITICALLY BLIND ON POCKET- BOOK ISSUES, AS ARE MOST CHILEAN UNIONISTS. GOC'S INEPT ATTEMPTS TO TRANSFORM ECONOMIC ISSUES INTO POLITICAL, TO REPLY EXCESSIVELY ON MARXIST DISCIPLINE, AND TO FAIL TO HONOR PREVIOUS PROMISES, HAVE CREATED A NEAR DONNYBROOK OUT OF THESE TWO CONTROVERSIES.

DAVIS

CONFIDENTIAL
NMAFVVZCZ

*** Current Handling Restrictions *** n/a

*** Current Classification *** CONFIDENTIAL

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 04 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973SANTIA01942
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GDS
Errors: n/a
Film Number: n/a
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730536/aaahtvd.tel
Line Count: 118
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 73 SANTIAGO 1833
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
Review Date: 16 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16-Jan-2002 by martinjw>; APPROVED <07 FEB 2002 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 971203
Subject: STRIKE SITUATION
TAGS: ELAB, CI
To: ARA
SECSTATE WASHDC
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005